

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 1/24/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to invoke Servis1st Bank Letter of Credit No. 11211 for Research Station, Phase 2 Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date 1-15-13

RESOLUTION NO. 13-_____

WHEREAS, Servis1st Bank issued a certain letter of credit (No. 11211), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Servis1st Bank Letter of Credit No. 11211, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 24th day of January, 2013.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 24th day of January, 2013.

Mayor of the City of
Huntsville, Alabama

SERVISFIRST BANK
Post Office Box 18127
Huntsville, AL 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

AMENDMENT TO
IRREVOCABLE LETTER OF CREDIT NO. 11211



Beneficiary
City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308

Applicant
Breland Homes, LLC
2101 W. Clinton Avenue
Huntsville, Alabama 35805

Bank
ServisFirst Bank
401 Meridian St., Ste 100
Hsv., AL 35801

LOC No: 11211 Amount: \$34,800.00 Date: February 8, 2012 Exp: February 8, 2013

Re: PERFORMANCE - SIDEWALK Improvements Letter of Credit for Research Station,
Phase 2, a resubdivision of a part of Lot 2B of a resubdivision of Lot 2 of Hedden Subdivision

Gentlemen:

We hereby amend our Irrevocable Standby Letter of Credit in your favor for the account of Breland Homes, LLC. effective February 8, 2012, for a sum not to exceed the aggregate of Thirty Four Thousand Eight Hundred Dollars and no/100 (\$34,800.00) available by one or more of your drafts drawn on SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank in Huntsville.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

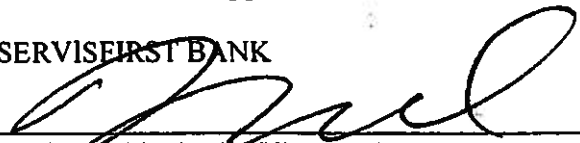
THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

MW 3-20-12
MS 3/21/12
BLC
Hsv
3-26-12
OK
CEH
3/28/12

This standby letter of credit is subject to and governed by the laws of the State of [Alabama] and UCP 600. For all purposes of this letter of credit, any provision of UCP 600 that, if applied, would conflict with Article 5 of the [Alabama] Uniform Commercial Code but for the application of such Article 5, shall be deemed excluded from UCP 600.

SERVISEIRST BANK



David Mathis, Senior Vice President

SERVISFIRST BANK
Post Office Box 18127
Huntsville, Alabama 35804
servisfirstbank.com

SW

IRREVOCABLE LETTER OF CREDIT NO. 11211



Beneficiary
City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308

Applicant
Breland Homes, LLC
2101 W. Clinton Avenue
Huntsville, Alabama 35805

Bank
ServisFirst Bank
401 Meridian St.
Suite 100
Hsv., AL 35801

LOC No:11211 Amount: \$99,135.00 Date: April 5, 2010 Exp: April 5, 2012

Re: PERFORMANCE - SIDEWALK Improvements Letter of Credit for Research Station,
Phase 2, a resubdivision of a part of Lot 2B of a resubdivision of Lot 2 of Hedden Subdivision

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor for the account of Breland Homes, LLC. effective April 5, 2010, for a sum not to exceed the aggregate of Ninety Nine Thousand One Hundred Thirty Five Dollars and no/100 (\$99,135.00) available by one or more of your drafts drawn on SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank in Huntsville.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

The Letter of Credit shall be governed by the laws of the State of Alabama including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

SERVISFIRST BANK

Hill Womble, Senior Vice President

OK 4/22/10

OK 4/26/10

OK
CEH

4/27/10

MS
4/23/10